

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF DUKE ENERGY)	
KENTUCKY, INC., FOR: 1) AN ADJUSTMENT OF)	
THE ELECTRIC RATES; 2) APPROVAL OF AN)	CASE NO.
ENVIRONMENTAL COMPLIANCE PLAN AND)	2017-00321
SURCHARGE MECHANISM; 3) APPROVAL OF)	
NEW TARIFFS; 4) APPROVAL OF ACCOUNTING)	
PRACTICES TO ESTABLISH REGULATORY)	
ASSETS AND LIABILITIES; AND 5) ALL OTHER)	
REQUIRED APPROVALS AND RELIEF)	

ORDER

On April 13, 2018, the Commission issued an order in this proceeding granting Duke Energy Kentucky, Inc. (“Duke Kentucky”) an increase in its electric base rates and approved changes to certain tariffs, including the Fuel Adjustment Clause (“FAC”) and Profit Sharing Mechanism (“Rider PSM”) tariffs. On April 25, 2018, Duke Kentucky filed a Motion for Clarification of Items Contained in the April 13, 2018 Order (“Motion”). Prior to filing the Motion, Duke Kentucky requested an informal conference which was held with all parties of record on April 19, 2018. Duke Kentucky filed its Motion to formally request relief on the limited issues discussed at the April 19, 2018 informal conference. Duke Kentucky states in its Motion that the requested clarification does not constitute a request for rehearing and that it reserves its right to seek a rehearing on issues addressed in the April 13, 2018 Order.

In its Motion, Duke Kentucky requests clarification on two issues: 1) the start date to implement the changes approved for the FAC and Rider PSM tariffs, and 2) the rates approved for the Rider Generation Support Service (“GSS”) tariff.

Implementation for Changes to FAC and Rider PSM

Duke Kentucky states that, since it uses the six-month interval of May through October for review purposes, it proposes to use the expense month of May as the month in which it begins the changes to the FAC and Rider PSM.¹ Duke Kentucky contends that, by beginning on May 1, 2018, it would avoid having to calculate these items outside the normal six-month interval and avoid using half-month calculations. Duke Kentucky states that its proposal would be a more efficient way of implementing the changes and that customers would not be harmed by the delay.

The Commission finds that clarification should be granted on this issue. Although the April 13, 2018 Order states that the rates and charges set forth in Appendix C to that Order were approved for service rendered on and after April 14, 2018, the Order did not specifically address an implementation date for the changes approved for the FAC and Rider PSM. Having reviewed the record and being otherwise sufficiently advised, the Commission finds it appropriate for the changes approved for the FAC and Rider PSM to be implemented beginning with the expense month of May 2018, in order to avoid over-complicating the FAC and Rider PSM calculations, to coincide with the Commission’s six-month FAC review period, and based upon Duke Kentucky’s contention that doing so would cause no harm to customers.

¹ The six-month periods of May through October and November through April used for the FAC review proceedings were established by the Commission.

Rider GSS

In its Motion, Duke Kentucky states that in reviewing the rates approved in Appendix C of the April 13, 2018 Order for Rider GSS, it appears that the decimal point should be moved two places to the right in each of the rates,² except for the administrative charge. The Rider GSS monthly transmission and distribution reservation charges listed in Appendix C to the April 13, 2018 Order are as follows:

According to Duke Kentucky, the Rider GSS rates are billed on a per kW basis and the approved rates appear to be displayed in a per kWh format. The Commission finds that clarification should be granted on this issue and agrees with Duke Kentucky that the Rider GSS rates are billed per kW and the decimal point should be moved two places to the right for each rate, with the exception of the administrative charge.

IT IS THEREFORE ORDERED that:

1. Duke Kentucky's motion for clarification is granted.
2. The implementation for the changes approved for the FAC and Rider PSM in the April 13, 2018 Order shall begin with the expense month of May 2018.

² The rates under Rider GSS are Rate DS – Secondary Distribution Service; Rate DT – Distribution Service; Rate DP – Primary Distribution Service; and Rate TT – Transmission Service.

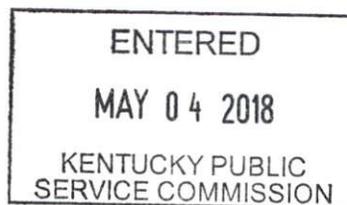
3. Appendix C of the April 13, 2018 Order, page 3 of 13, is amended to the limited extent that the Monthly Transmission and Distribution Reservation Charge should reflect the following rates per kW:

Rate DS – Secondary Distribution Service	\$4.7126
Rate DT – Distribution Service	\$5.8517
Rate DP – Primary Distribution Service	\$5.9794
Rate TT – Transmission Service	\$2.6391

4. All other provisions of the April 13, 2018 Order shall remain in full force and effect.

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By the Commission



ATTEST:


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